PERSPECTIVES
ON LABOUR AND INCOME

Fact-sheet on gambling

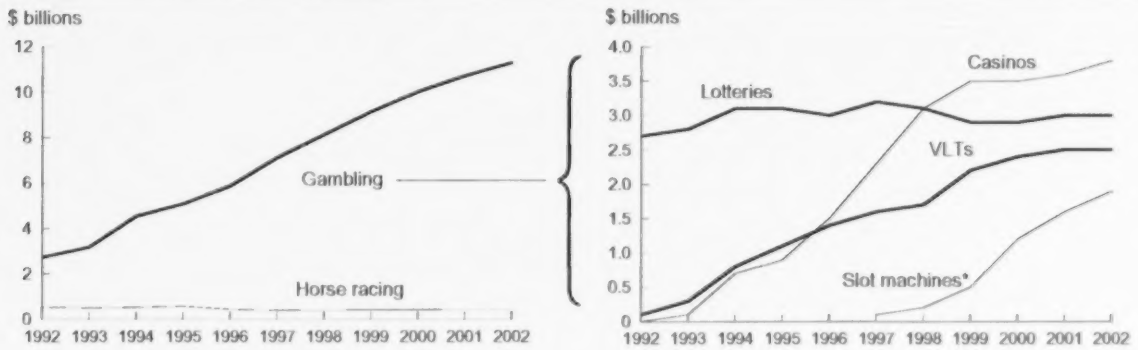
- Net revenue from government-run lotteries, video lottery terminals (VLTs), and casinos rose from $2.7 billion in 1992 to $11.3 billion in 2002.[1] Of this $11.3 billion, $6.0 billion was profit.
- Net revenue from pari-mutuel betting (horse racing) dropped from $530 million to $440 million over the same period (1992 to 2002).
- In 2002, lotteries accounted for 27% of all net non-charity gambling revenue, casinos 34%, VLTs 23%, and slot machines not in casinos 17%.
- Average gambling expenditure per person 18 and over in 2001 ranged from $105 in the three territories to $604 in Alberta, with a national average of $447.[2]
- Compared with workers in non-gambling industries, those in gambling were more likely to be women (55% versus 46%), under 35 (52% versus 38%), paid by the hour (83% versus 63%), and paid less ($15 hourly versus $18).
- Employment in the gambling industry rose from 12,000 in 1992 to 42,000 in 2002.
- One in six women and men living alone reported spending money on casinos, slot machines or VLTs; however, the men spent more than three times as much as the women—$914 compared with $261.[3]
- Gambling participation and expenditure rates increased with household income. For example, 59% of households with incomes of less than $20,000 gambled in 2001 and spent an average of $357, while equivalent figures for those with incomes of $80,000 or more were 77% and $642.

Note: In the late 1990s, government slot machines were introduced at racetracks in Alberta and Ontario, and at the 16 charity casinos in Alberta. As of February 2003, there were 624 slot machines at 2 of 7 racetracks in Alberta, 5,621 machines at the 16 charity casinos, and over 8,650 machines at 15 racetracks in Ontario. On March 17, 2002, the British Columbia Lottery Corporation introduced Superstar Bingo, an electronic, on-line bingo game, which links halls (currently 85) and players throughout the province. For further information see www.gaming.gov.ab.ca, www.olgc.ca, and www.bclc.com.

Statistics Canada Statistique Canada

Canada

Net revenue from government-run gambling has increased steadily.



Source: National Accounts
* *Refers to ones found outside government-run casinos (see note page 1).*

Gambling revenues and profits

	Gambling revenue*		Gambling profit**		Share of total revenue***		Expenditure per capita (18+)†	
	1992	2001	1992	2001	1992	2001	1992	2001
	$ millions (current)				%		$	
Canada	**2,734**	**10,727**	**1,680**	**6,047**	**1.9**	**5.1**	**130**	**447**
Newfoundland and Labrador	80	184	42	105	2.3	4.9	190	438
Prince Edward Island	20	30	7	16	2.7	3.1	205	283
Nova Scotia	125	348	72	163	2.8	6.0	180	473
New Brunswick	117	184	49	95	2.7	3.5	210	311
Quebec	693	2,718	472	1,483	1.8	5.0	130	466
Ontario	853	4,030	529	1,938	1.9	6.0	105	441
Manitoba	153	463	105	288	2.5	5.5	185	538
Saskatchewan	62	352	39	276	1.1	4.8	85	467
Alberta	225	1,387	125	1,094	1.6	5.4	120	604
British Columbia	403	1,024	239	584	2.2	3.6	155	319
Yukon, Northwest Territories and Nunavut	5	7	1	5	0.3	0.3	80	105

Sources: National Accounts, Public Institutions (Financial management statistics) and post-censal population estimates.
* *Total revenue from wagers on non-charity lotteries, casinos and VLTs, minus prizes and winnings.*
** *Net income of provincal governments from total gambling revenue, less operating and other expenses (see Data sources and definitions).*
*** *The 2001 share of total revenue calculation is based on 2001 gambling revenue and 2000 total provincial revenue. The 2001 provincial revenue will be available autumn 2003.*
† *Net wagers; persons 18 and over were selected as this is the legal age of gambling in most provinces.*

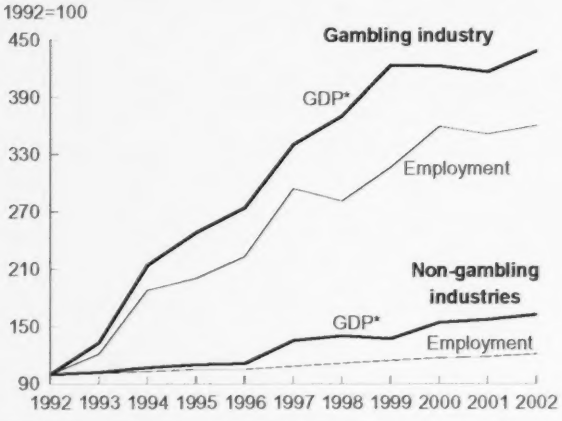
Characteristics of workers

	Gambling		Non-gambling	
	1992	2002	1992	2002
		'000		
Total employed	**12**	**42**	**12,830**	**15,370**
		%		
Sex				
Men	35	45	55	54
Women	65	55	45	46
Age				
15 to 34	57	52	45	38
35 and over	43	48	55	62
Education				
High school of less*	66	54	57	46
Postsecondary certificate or diploma	21	37	27	34
University degree	13	9	16	20
Work status				
Full-time	59	82	82	81
Part-time	41	18	18	19
Province				
Atlantic provinces	8	4	7	7
Quebec	9	18	24	23
Ontario	28	49	39	39
Prairie provinces	30	19	17	18
British Columbia	25	10	13	13
Class of worker				
Employee	98	99	85	85
Self-employed	F	F	15	15

Source: Labour Force Survey

* *May include some uncompleted postsecondary.*

Gambling outpaced other industries.



Sources: Labour Force Survey; National Accounts

* *The price, at basic prices, of the goods and services produced. The GDP figures for the gambling industry refer strictly to wagering activities, such as lottery ticket sales, VLT receipt sales and bets at casinos. Other economic spinoffs, such as hotel and restaurant business, security services, or building and equipment maintenance, are not included.*

Characteristics of jobs

	Gambling		Non-gambling	
	1997	2002	1997	2002
			'000	
Employees*	**34**	**41**	**11,419**	**13,025**
			%	
Unionized**	30	28	34	32
Non-unionized	70	72	66	68
Permanent job	91	93	89	87
Temporary job	9	7	11	13
Usually receive tips	27	24	7	7
No tips	73	76	93	93
Paid by the hour	80	83	61	63
Not paid hourly	20	17	39	37
Average hourly earnings†			$	
Men: full-time	13.60	17.50	17.80	20.30
Women: full-time	13.10	14.60	14.80	16.90

Source: Labour Force Survey

* *More detailed questions on employees were introduced with the 1997 revision of the Labour Force Survey.*

** *Includes persons who are not union members, but whose jobs are covered by collective agreements.*

† *Includes tips and commissions.*

Household expenditures on gambling activities

	At least one gambling activity		Government lotteries		Other lotteries/raffles, etc.		Casinos, slot machines and VLTs		Bingos	
	$	%	$	%	$	%	$	%	$	%
All households										
1998	462	77	251	68	81	34	432	20	700	10
1999	499	76	246	67	76	32	631	20	655	10
2000	492	74	245	64	84	31	546	21	743	9
2001	513	72	257	62	98	30	554	20	815	9
One-person households*	454	61	218	51	129	21	568	16	675	7
Men	576	61	269	53	189	21	914	15	873	3
18 to 44	345	60	184	50	69	21	435	19	625	3
45 to 64	859	65	355	59	136	23	2,186	12	1,305	4
65 and over	543	57	277	48	631	16	402	14	558	3
Women	340	62	166	50	71	20	261	17	620	11
18 to 44	153	59	99	46	32	22	209	15	97	6
45 to 64	366	68	173	59	62	20	254	22	781	10
65 and over	390	59	185	47	92	19	286	14	636	13
All households										
Newfoundland and Labrador	485	69	249	60	63	33	728	9	608	16
Prince Edward Island	536	63	231	45	109	39	287	10	1,426	11
Nova Scotia	478	76	223	63	59	41	342	22	990	12
New Brunswick	417	69	226	61	48	35	220	10	911	12
Quebec	427	77	267	72	47	19	446	16	624	9
Ontario	550	68	266	57	132	31	457	24	954	8
Manitoba	606	70	258	52	85	41	627	28	732	10
Saskatchewan	539	77	211	57	80	52	657	26	692	12
Alberta	611	73	228	58	111	41	884	21	845	9
British Columbia	512	70	257	62	81	29	898	15	744	5
Income after tax										
Less than $20,000	357	59	183	50	51	15	489	11	579	11
$20,000 to $39,999	459	71	254	62	105	26	415	18	728	9
$40,000 to $59,999	581	76	280	66	102	34	631	21	985	9
$60,000 to $79,999	553	78	284	69	88	38	476	27	1,031	7
$80,000 and over	642	77	277	64	113	46	764	28	1,050	5

Source: Survey of Household Spending

Note: Expenditures are per spending household. Unless otherwise indicated, figures are for 2001.

* *Using one-person households allows examination of individual characteristics. Persons 18 and over were selected as this is the legal age for gambling in most provinces.*

For further information on any of these data, contact Katherine Marshall, Labour and Household Surveys Analysis Division. She can be reached at (613) 951-6890 or katherine.marshall@statcan.ca.

Household expenditure on all gambling activities by income groups, 2001

	Average expenditure[3]			Gaming as % of total income	
	All households	Reporting households	Percentage reporting	All households	Reporting households
	$	$	%	%	%
Income after tax	**368**	**513**	**72**	**0.6**	**0.8**
Less than $20,000	211	357	59	1.6	2.6
$20,000 to $39,999	326	459	71	1.1	1.5
$40,000 to $59,999	444	581	76	0.9	1.2
$60,000 to $79,999	431	553	78	0.6	0.8
$80,000 and over	497	642	77	0.4	0.6

Source: Survey of Household Spending

Data sources and definitions

Labour Force Survey: a monthly household survey that collects information on labour market activity, including detailed occupational and industrial classifications, from all persons 15 years and over.

National Accounts: The quarterly Income and Expenditure Accounts (IEA) is one of several programs constituting the System of National Accounts. The IEA produces detailed annual and quarterly income and expenditure accounts for all sectors of the Canadian economy, namely households, businesses, governments and non-residents.

Survey of Household Spending: an annual survey that began in 1997 and replaced the Family Expenditure Survey and the Household Facilities and Equipment Survey. It collects data on expenditures, income, household facilities and equipment, and other characteristics of families and individuals living in private households.

Gambling industries: This industry group covers establishments primarily engaged in operating gambling facilities, such as casinos, bingo halls and video gaming terminals; or providing gambling services, such as lotteries and off-track betting. It excludes horse race tracks and hotels, bars and restaurants that have casinos or gambling machines on the premises.

Gambling profit: net income from provincial and territorial government-run lotteries, casinos and VLTs, after prizes and winnings, operating expenses (including wages and salaries), payments to the federal government and other overhead costs are deducted.

Gambling revenue: all money wagered on provincial and territorial government-run lotteries, casinos and VLTs, less prizes and winnings. Gambling revenue generated by and for charities and on Indian reserves is excluded.

Government casino: a government-regulated commercial casino. Permits, licences and regulations for casinos, both charity and government, vary by province. Government casinos, now permitted in several provinces, also vary by the degree of public and private involvement in their operations and management. Some government casinos are run entirely as crown corporations, while others contract some operations—for example, maintenance, management or services—to the private sector.

Video lottery terminal (VLT): coin-operated, free-standing, electronic game of chance. Winnings are paid out through receipts that are turned in for cash, as opposed to cash payments from slot machines. Such terminals are regulated by provincial lottery corporations.

Notes

1 Refers to total money wagered on non-charity lotteries, casinos and VLTs, minus prizes and winnings.

2 Survey of Household Spending (SHS) and National Accounts rankings of provincial expenditures differ, in part because the SHS includes both charity and non-charity gambling activity.

3 The expenditure figures are not adjusted for any winnings. As well, households consistently under-report the amount of money they spend on gambling. Comparisons with Lottery Corporation figures, for example, have shown that households under-report their government lottery purchases by more than 50%.

References

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